

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

LeRoy Koppendrayner  
Marshall Johnson  
Thomas Pugh  
Phyllis A. Reha

Chair  
Commissioner  
Commissioner  
Commissioner

In the Matter of Northern States Power  
Company d/b/a Xcel Energy's Application for  
Approval of its 2005-2019 Resource Plan

ISSUE DATE: June 11, 2007

DOCKET NO. E-002/RP-04-1752

ORDER EXTENDING TIME TO FILE  
RESOURCE PLAN

**PROCEDURAL HISTORY**

On July 28, 2006, the Commission issued its Order Approving Resource Plan as Modified, Finding Compliance With Renewable Energy Objectives Statute, and Setting Filing Requirements, which required Northern States Power Company d/b/a Xcel Energy (Xcel) to file its next resource plan on July 1, 2007.

On April 2, 2007, Xcel filed a request for an extension of time until March 2008 to file its next resource plan.

On April 18, 2007, the Department of Commerce (the Department) and the Minnesota Center for Environmental Advocacy/Izaak Walton League of America (MECA/IWLA) filed comments in support of Xcel's request.

On April 20, 2007, the Minnesota Chamber of Commerce and Kristen Eide-Tollafson filed comments.

On April 30, 2007, MECA/IWLA and Xcel filed reply comments.

On May 29, 2007, Senator Gary W. Kubly, Minnesota Senate, filed comments, requesting that should the Commission grant Xcel an extension to file its resource plan, it still require Xcel to update and file the nuclear reports required by Minn. Stat. § 216C.051 by July 1, 2007.

On May 30, 2007, the Prairie Island Indian Community and Senator Ellen Anderson, Minnesota Senate, filed comments also seeking to require Xcel to file the updated nuclear reports by July 1, 2007.

The Commission met on May 31, 2007 to consider the matter.

## **FINDINGS AND CONCLUSIONS**

### **I. Positions of the Parties**

#### **A. Xcel's Request for Extension to File Its Next Resource Plan**

Xcel requested permission to file its next resource plan no later than March 1, 2008. Xcel stated that a later filing date would both allow the Company to incorporate the requirements of the recently enacted Renewable Energy Standard and the results of various resource acquisition dockets currently pending before the Commission.

Xcel explained that the Minnesota Legislature's recent enactment of a Renewable Energy Standard,<sup>1</sup> which requires Xcel to provide 30 percent of its Minnesota retail sales from qualifying renewable energy sources, with 25 percent provided by wind generation by 2020, will have a significant effect on its future resource plans. The Company asserted that it needs additional time to adequately incorporate the new requirements from this law into its resource planning process, to produce a more robust resource plan.

Xcel also pointed to the numerous resource acquisition dockets currently underway or contemplated<sup>2</sup> that will have a significant impact on the Company's future resource planning assumptions and needs. Xcel asserted that delaying its next resource plan filing until March 2008 will allow the Company to incorporate the impact of Commission decisions made before that date into the resource plan filing.

Finally, Xcel also indicated that depending on the status of the additional resource dockets, the Company might request an extension beyond March 1, 2008.

#### **B. Responses to the Request for Extension**

The Department recommended that the Commission approve Xcel's request. The Department reasoned that the new renewable energy standard is a significant change from current statutes that should be incorporated into future resource plans. Further, the Department asserted that allowing completion of the numerous resource acquisition proceedings arising from Xcel's 2004 resource plan prior to the submission of a new plan will result in a more forward looking resource plan.

Kristen Eide-Tollefson concurred with the Company's and the Department's rationale for an extension of the resource plan filing. Ms. Tollefson argued, however, that the timing of the filing

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<sup>1</sup> 2007 Minnesota Session Law, Chapter 3, SF 4.

<sup>2</sup> These dockets include:

- Xcel's request to initiate a competitive resource acquisition process for base load generation (Docket No. E-002/CN-1518);
- the Excelsior Energy proceeding (Docket No. E-6472/M-05-1993);
- the nuclear upgrade filings for the Monticello and Prairie Island nuclear power plants to be filed in June and September 2007;
- the Sherco emissions reduction and upgrade proposal to be filed in September 2007; and
- the application for an Xcel Energy owned wind project.

requirement for the reports regarding nuclear power plant contingencies required under Minn. Stat. § 216C.051, subd. 3d, needs to remain July 1, 2007.<sup>3</sup>

The MCEA/IWLA did not oppose Xcel's request for an extension, but indicated it would oppose any extension beyond March 2008. In reply comments, the IWLA concurred with Ms. Eide-Tollefson that requiring a July 2007 filing date for the nuclear reports required by Minn. Stat. § 216C.051, subd. 3d is preferable.

The Minnesota Chamber of Commerce supported Xcel's request for extension, but proposed that Xcel be asked to include in its resource plan filing estimates of the rate and reliability impacts of the Company's proposed plan in a manner meaningful to an average commercial, industrial and residential ratepayer. The Chamber also requested that Xcel be asked to report the rate and reliability impacts of legislative directives and Commission orders on pending dockets that affect its proposed resource plan.

Senators Gary W. Kubly and Ellen R. Anderson of the Minnesota Senate submitted comments requesting that the nuclear reports remain due on their original timeline of July 1, 2007. The Prairie Island Indian Community also filed comments requesting that Xcel be required to submit the nuclear reports, including the decommissioning plan for the TN-40 casks, by July 1, 2007.

### **C. Xcel's Reply**

In response to the IWLA's comment that it would oppose any further extension request by Xcel beyond March 2008, Xcel indicated that the Company will continue to assess the status of its various resource acquisition dockets, and if circumstances change such that additional extensions are deemed advisable, it will file such a request not later than November 30, 2007.

The Company also indicated that the rate and reliability impact reporting requested by the Minnesota Chamber of Commerce is already information the Commission must consider in its evaluation of the resource plan. Xcel indicated that it intends to work with the Chamber in advance of its next resource plan filing to determine whether there is additional information it could include in its filing that would be meaningful to the Chamber.

Finally, at the hearing, Xcel agreed to provide the updated nuclear reports by July 1, 2007.

## **II. Commission Analysis and Action**

Based on the Department's recommendation, and the concurrence of others commenting on its request, the Commission will approve Xcel's requested extension of time until March 3, 2008, to file its next resource plan.

The Commission encourages Xcel to utilize the additional time to address the potentially significant changes resulting from statutory changes such as the Renewable Energy Standard and to incorporate the results of presently outstanding resource acquisition dockets. The Commission cautions Xcel, however, that it does not presently intend to grant further extension requests. In the event that Xcel decides to seek an additional extension, the Commission therefore will require the Company to file its request no later than November 30, 2007.

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<sup>3</sup> These reports are required to be filed with both the Commission and the Legislative Electric Energy Task Force (LEETF).

The Commission also acknowledges and accepts Xcel's commitment to file the nuclear reports required under Minn. Stat. § 216C.051 on or before July 1, 2007. The Commission recognizes that Xcel has complied with all legislatively mandated updates to the worker transition plan, the nuclear power phase-out plan, and the cask decommissioning plan, and that a relatively short time has elapsed since the Commission approved Xcel's 2004 resource plan on July 28, 2006. The Commission is also aware, however, that the Legislative Electric Energy Task Force has pending numerous issues related to the nuclear power industry, and that Xcel's timely and complete filing of the nuclear reports remains of critical importance.

The Commission therefore encourages Xcel to work with legislative staff, Task Force committee members, and other stakeholders to make the nuclear updates more useful, informative and meaningful.

Finally, given the requirements already contained in the resource planning rules,<sup>4</sup> the Commission will deny the Minnesota Chamber of Commerce's request that Xcel be required to comply with additional reporting requirements in its next resource plan. The Commission will, however, encourage Xcel to work with the Chamber of Commerce in advance of the Company's next resource plan to determine whether there is additional information that might be meaningful to the members of the Chamber.

### **ORDER**

1. Xcel shall file its next resource plan no later than March 3, 2008.
2. In the event that it decides to seek an additional extension, Xcel shall file its request no later than November 30, 2007.
3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar  
Executive Secretary

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<sup>4</sup> Minn. Rules, Part 7843.0500, subp. 3.